

AMENDED IN SENATE JUNE 22, 2005

AMENDED IN ASSEMBLY MAY 27, 2005

AMENDED IN ASSEMBLY APRIL 12, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1643

Introduced by Assembly Member Jones

February 22, 2005

An act relating to public employee benefits.

LEGISLATIVE COUNSEL'S DIGEST

AB 1643, as amended, Jones. Public employees: long-term care.

The Public Employees' Long-Term Care Act authorizes the Board of Administration of the Public Employees' Retirement System to contract with carriers offering long-term care insurance plans. Active and retired members and annuitants of specified counties and public agencies, and certain relatives of those individuals, are authorized to enroll in those long-term care insurance plans if they meet eligibility and underwriting criteria.

This bill would require the board to order a study to be conducted concerning long-term care, as specified, and that a report on the study be submitted to the Legislature by March 31, 2008.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Board of Administration of the Public
2 Employees' Retirement System shall order a study to be
3 conducted that does all of the following:

4 (a) Requires that any person denied long-term care coverage
5 due to underwriting criteria after January 1, 2006, be asked to
6 *complete a questionnaire designed to determine* whether he or
7 she would be interested in participating in a proposed pilot
8 project given various possible premium levels and possible
9 restrictions on benefits. *Reasonable efforts shall be made to*
10 *notify persons denied coverage prior to January 1, 2006, about*
11 *the study and provide them with the opportunity to complete the*
12 *questionnaire.*

13 (b) Specifies that the questionnaire also ask potential
14 participants *questions designed to gather information necessary*
15 *for the study, including, but not limited to,* whether they currently
16 use personal care, whether they would do so immediately if
17 provided coverage, or whether they reasonably expect to do so at
18 various future intervals.

19 (c) Requires the Public Employees' Retirement System to
20 establish a task force to *meet at least quarterly and* advise it on
21 conduct of the study, *questions to be included in the*
22 *questionnaire,* and preparation of a report to the Legislature. The
23 task force ~~would be required to consist of~~ *shall include*
24 representatives of organizations of ~~persons~~ *public employees* with
25 disabilities, *organizations* focusing on *improving* employment
26 *opportunities for persons with disabilities,* experts on *disability*
27 *demographics and* the long-term care needs of persons with
28 disabilities, retirees, unions, and other interested parties.

29 (d) Requires that the report be submitted to the Legislature by
30 March 31, 2008, and include all of the following elements:

31 (1) The results of the survey of potential participants.

32 (2) The expected costs of providing coverage without
33 underwriting criteria.

34 (3) *The feasibility and desirability of various options,*
35 *including, but not limited to, charging increased premiums for*
36 *enrollees not subject to underwriting and imposing increased*
37 *waiting periods for those not subject to underwriting.*

1 (4) A proposal for a program that would maintain the
2 financial stability of the plan while balancing the need to cover
3 the maximum number of individuals with the fewest restrictions
4 on coverage with the need to minimize increased premiums for
5 those receiving the expanded coverage and for other enrollees.

6 ~~(4)~~

7 (5) Other options for ensuring that persons now excluded from
8 the long-term care insurance plan are able to obtain long-term
9 services when needed and are not discouraged from seeking
10 employment in order to continue receiving public benefits.

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